

*Attach to Memo #4  
on SP-1915*

DFD-1708-3  
COPY 2 OF 4

17 March 1959

**Subject: Contract SP-1915. Sections A & B  
Personal Property on Inventories**

**Dear Hazel:**

Here are the figures for the amount of personal property tax included in overhead for the years 1957 and 1958, and included as a cost in the settlement of Sections A & B, Contract SP-1915, which amount is subject to refund to you, if, as and when received:

	Hours	Rate per Hour	Amount
<u>1957</u> Factory Hours (only)			
<u>1958</u> Factory Hours (only)			
Total			

You will note that factory hours only are used. This is due to the fact that it is company policy to include all personal property taxes levied and paid on inventories (including work in process) to the Factory Overhead Pool, which in turn is allocated to work in process on the basis of Direct Factory Labor Hours. Since the major work on our projects is performed by personnel reporting to the Engineering Organization, whose overhead is accumulated in a separate Overhead Pool, we are not too much involved dollar-wise with Personal Property tax charged to our projects.

If there are any questions regarding this subject, please let me know.

Very truly yours,

cc:



*Hal*  
Hal